

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7875

BILL NUMBER: HB 2028

DATE PREPARED: Jan 10, 2001

BILL AMENDED:

SUBJECT: Reading and mathematics initiatives.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill creates a reading and mathematics master teacher training program to provide intensive professional development for teachers in schools where a significant number of students are not meeting state standards. It creates the following reading initiatives for elementary schools: (1) The extra learning time program to provide intensive reading instruction during times when school is not normally in session for students in kindergarten through grade 3 who are not reading at grade level. (2) The Indiana book club to purchase books for students in kindergarten through grade 5 who are eligible to receive free or reduced price lunches. (3) The reading award program to provide annual monetary awards to the 50 elementary schools that show the greatest improvement in meeting reading standards. The bill creates the following mathematics initiatives for grade 6 through grade 8: (1) The extra learning time program to provide intensive mathematics instruction during times when school is not normally in session for students in grade 6 through grade 8 who are not demonstrating grade level mathematics skills. (2) The mathematics award program to provide annual monetary awards to the 50 schools with grade 5 through grade 8 that show the greatest improvement in meeting mathematics standards.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The bill creates the Reading and Mathematics Master Teacher Training Program. Selected elementary and junior high teachers receive a grant of \$8,000 to receive intensive instruction in the best teaching practices and innovative methods for teaching in the teacher's subject. There are about 1,584 elementary and junior high schools in Indiana. If the goal was to provide training to one teacher in each school over three years then about, 528 teachers would be trained each year at an annual cost of \$4,224,000.

The bill also creates the Indiana Book Club to provide all students in grades kindergarten through grade 5 the opportunity to purchase books through existing school book sales programs. Schools receive a grant of \$15 for each student who is eligible for free or reduced lunch. About 135,000 students would qualify for the \$15 grant. The state impact of the grant is about \$2M.

The bill creates the Extra Learning Time Reading Program for grades kindergarten through grade three. Based on

the fall 1999 ISTEP test it is estimated that about 93,300 students in kindergarten through grade three might qualify for additional instruction. Assuming an average class size of 5 and an average teacher salary of about \$41,850, one hour of instruction would cost about \$9.69. The cost of providing an additional average 10 hours of instruction would cost about \$9.1 M. It also provides a \$10,000 award to 50 schools that show improvement in meeting reading standards. The impact of the award is \$500,000.

The bill creates the Extra Learning Time Mathematic Program for sixth through eighth grade students. Based on the fall 1999 ISTEP test it is estimated that about 83,000 students in the sixth through eighth grade might qualify for additional instruction. Assuming an average class size of 5 and an average teacher salary of about \$41,850, one hour of instruction would cost about \$9.69. The cost of providing an additional average 10 hours of instruction would cost about \$8.0 M. It also provides a \$10,000 award to 50 schools that show improvement in meeting mathematic standards. The impact of the award is \$500,000.

The estimated impact of the bill is \$24.3M per year.

The bill does not contain funding for the new programs.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See Explanation of State Expenditures.

State Agencies Affected: Department of Education, Professional Standards Board.

Local Agencies Affected:

Information Sources: Department of Education databases.